

SUGGESTIONS REGARDING THE CIA FINANCIAL STATEMENT

REFERENCE: Memo to A-DD/A from the Acting Comptroller dated 28 October 1953, subject: "CIA Financial Statement 30 June 1953"

1. Time should be spent preparing the separate parts of this report only if these separate parts actually prove to the readers to be worth the cost of preparing them. This should be continuously reviewed in the future development of the report. In this connection, Tables 2a, 3a, 4a, and 5a in the report do not seem necessary.

2. Chart 1, "Distribution of Obligations by Geographical Areas," is most helpful if submitted at the year end. However, it serves no useful purpose on a monthly or quarterly basis. I recommend preparing this chart only at the year end.

3. Charts 2 and 3 are considered desirable for a year end statement, but are not particularly helpful or necessary either quarterly or monthly.

4. The report presents past financial history. Each subsequent report gives more recent history and is helpful particularly because of the change in the use of the Agency dollar which it points up. Therefore, more emphasis should be given to year by year and quarter by quarter comparisons. Tables 1, 2, 3, 4, and 5 are most helpful in themselves but could be more useful if presented in comparison with similar figures for the preceding 4 or 5 years.

5. The 30 June 1953 statement presents a breakdown of figures for all offices and then gives a more detailed breakdown of data in the Plans, Intelligence, and Administrative groups. A similar detailed breakdown in the Communications, Training, and Personnel areas would be desirable.

6. Chart 3a is considered valuable on a year end basis, but not on a monthly or quarterly basis.

7. With respect to paragraph 7 in the above referenced memorandum, the action you indicate is certainly necessary and I agree that it must be taken, and that, if taken, it would improve the technical quality of the report.

8. With respect to the net worth figure, I suggest that you present unobligated past appropriations either as a separate reserve or as an offset to cash.

9. As for frequency of preparation, I suggest that the full report, modified as above, be prepared quarterly and that the tables in Section 1 be prepared monthly. However, I question the necessity of preparing Section 3 monthly and believe a quarterly basis sufficient.

10. Regarding distribution, the full report should be made available to the DCI, the DDCI, the DDI, the DDP, Vital Documents, and the DDA. The Director of Training and the Assistant Directors of Communications and Personnel should receive parts of the report which pertain to their areas, and distribution within the Office of the Comptroller is left to the discretion of that Office.